# University of Florida College of Public Health & Health Professions Syllabus HSA 6436 Health Economics (3 credits)

Semester: 2020 Spring Class time: Tuesdays, 9:35AM – 12:35PM Classroom: G301A

Delivery Format: On-campus lectures Course Website available in Canvas

Instructor Name: Santanu K. Datta, PhD, MBA, MS

Room Number: HPNP 3114 Phone Number: 352-273-6074

Email Address: Santanu.datta@phhp.ufl.edu

Office Hours: Tuesdays, 3:00-3:50 & by appointment

Teaching Assistant: Samantha Larson, MPH
Preferred course communications: Canvas email

## **PURPOSE AND OUTCOME**

#### **Course Overview**

This course introduces the student to economic theories and concepts and how they apply to the US healthcare system and its various stakeholders. The course includes both the theory of microeconomic analysis and some of its empirical applications in the health services area, including an introduction to analyses of the demand for and supply of health services. This course also introduces the concepts and methods for the economic analysis of health care decision alternatives. Topics will include demand and supply for health and healthcare, information economics, economics of health innovation, health policy, public health economics, behavioral health economics, cost-benefit, cost-effectiveness, and cost-utility analyses. It emphasizes the application of these methods to the evaluation of alternative health programs. Exemplary papers of each of these health topics will be presented, discussed, and evaluated.

#### **Course Objectives and Competencies**

Upon successful completion of the course, students will be able to:

- Use microeconomic theory to better understand issues associated with the organization, financing and delivery of health care.
- Better comprehend and critically read the literature in health economics and health services research.
- Describe the major economic dimensions and trends of the U.S. health care system.
- Understand the economic forces that influence the economic dimensions and trends in the health care sector.
- Describe and critique the leading economic theories of consumer and producer behavior in the health care sector.
- Examine major health policy issues from an economic perspective.
- Understand and describe the conceptual bases and the application of cost-benefit analysis (CBA), cost-effectiveness analysis (CEA), cost utility analysis (CUA), and cost-ofillness studies.

#### **Instructional Methods**

This course is taught through lectures and discussion of topical papers. Have reading materials read **before** class and be prepared for discussion in class. Your participation in the class is vital to its success.

## **DESCRIPTION OF COURSE CONTENT**

# **Outline/Course Schedule**

All reading assignments, including textbook chapters and papers, should be read **before class** to facilitate your learning and class discussions. If you miss class, it is your responsibility to obtain notes, handouts, and a summary of the lesson/class activities from the missed class. The syllabus and course schedule is subject to revision. Confirm deadlines in class and always check Canvas for updates.

Week	Tues.	Topic
1	Jan. 7	INTRODUCTION TO THE COURSE
Ι'	oan. 7	- Introductions
		- Review syllabus
		- General discussion of economics and how it applies to health care
		- Ch. 1: Why Health Economics
2	Jan. 14	DEMAND FOR HEALTH AND HEALTH CARE
		- Ch. 2: Demand for health care
		- Ch. 3: Demand for health: the Grossman model
	1 04	- Discussion of papers
3	Jan. 21	- Ch. 4: Socioeconomic disparities in health - Ch. 7: Demand for Insurance
		- Cn. 7. Demand for insurance - Read papers on your own
		Online Lecture (Putting Families First)
4	Jan. 28	SUPPLY OF HEALTH CARE
4	Jan. 20	- Ch. 5: The labor market for physicians
		- Ch. 6: The hospital industry
		- Review for exam 1
5	Feb. 4	** Exam 1 **
6	Feb. 4	INFORMATION ECONOMICS
0	reb. 11	- Ch. 10: Adverse selection in real markets
		- Ch. 11: Moral hazard
		- Discussion of papers
7	Feb. 18	ECONOMICS OF HEALTH INNOVATION
'		- Ch. 12: Pharmaceuticals and the economics of innovation
		- Ch. 13: Technology and the price of health care
		Online Lecture (Putting Families First)
8	Feb. 25	CONDUCTING ECONOMIC ANALYSES
		- Ch. 14: Health technology assessment
		- Cost-Effectiveness/Cost-Utility Methodology readings assigned in Canvas
	14 0	- Discussion of papers
9	Mar. 3	Spring Break
10	Mar. 10	HEALTH POLICY
		- Ch. 15: The health policy conundrum
		- Ch. 16: The Beveridge model: nationalized health care
		- Review for Exam 2
11	Mar. 17	** Exam 2 **
12	Mar. 24	- Ch. 17: The Bismarck model: social health insurance
		- Ch. 18: The American model
		- Discussion of papers
13	Mar. 31	PUBLIC HEALTH
		- Ch. 19: Population aging and the future of health policy
	A =	- Ch. 22: Obesity
14	Apr. 7	BEHAVIORAL ECONOMICS
		- Ch. 23: Propect theory
		- Regret theory, Allais Paradox, Prisoner's Dilemma Online Lecture (Putting Families First)
15	Apr 11	- Ch. 20: The economics of health externalities
15	Apr. 14	- Review for exam 3
16	Apr. 21	** Exam 3 **
	•	
17	Apr. 28	Submit semester project

**Caveat:** The above schedule is my current plan and objectives for the course. However, as we progress though the semester, the plan may change to enhance learning opportunities or due to extenuating circumstances. Any changes will

be announced in class and notification via Canvas. Students are personally responsible for obtaining updated information regarding these changes.

#### **Course Materials**

# **Required Textbook:**

Bhattacharya J, Hyde T, and Tu P. *Health Economics*. Macmillan International, London, UK. ISBN-13: 978-1-137-02996-6

# Other Readings:

Additional readings will be assigned throughout the semester. Please be sure to refer to the Canvas website for assigned readings. The readings will be discussed in class as time allows but may also be assessed via quizzes and on exams.

## **Technology**

Required Equipment: Computer with high-speed internet access and use of a supported browser. To access this course, you will use your Gatorlink ID and password to login to the course (via Canvas).

For technical support for this class, please contact the UF Help Desk at:

- Learning-support@ufl.edu
- (352) 392-HELP select option 2
- https://lss.at.ufl.edu/help.shtml

#### ACADEMIC REQUIREMENTS AND GRADING

# Exams (60% weight)

60% of your overall grade will be based on your performance on the 3 exams (20% each), each covering 6-7 chapters of the textbook as well as assigned readings and other materials. The exams will be taken in-class and will be closed-book exams. Study guides will not be provided—the goal as graduate students is to be able to think critically and not to just "learn to the test." However, time will be taken during the lecture sessions prior to the exam dates to review materials.

#### Quizzes (20% weight)

It is extremely important that you keep up with your readings. To reinforce this, unless it's an exam or Putting Families First session, we will begin every lecture session with a brief 15-minute quiz, conducted via Canvas using your laptop that assesses whether you've read the assigned readings. Of the 9 quizzes given, the 2 lowest scores will be dropped in calculating your cumulative quiz grade. If a student is absent during an in-class quiz the grade is recorded as zero and counts as one of their dropped quiz grades. Quizzes will consist of true/false, multiple choice, or short answer questions probing the content of that week's lecture and/or readings. Periodically, there might be opportunities to earn extra points on the quizzes.

## Semester Project (20% weight)

Each student will be required to prepare a semester project that identifies and discusses a real case or issue in the health care system or policy-making using health economics theories and concepts that are introduced in the course (e.g., value of technology and innovation, pharmaceuticals, health system reform, competition and collaboration, etc.). Students can choose health care cases from the news media (Reuters, CNN, BBC, The New York Times, Fox news, Yahoo news, UF Health news, etc.) or papers published in numerous health and healthcare journals. The semester project can be in the form of a term paper, approximately 6-pages in length, double-spaced, and 11 point font. Or it can be in the form of a narrated Powerpoint slides approximately 8-10 minutes in length. Both the paper or Powerpoint presentation should have the following structure: Students will review relevant news articles and journal publications for the topic area chosen that inform 1. Introduction/case background, and 2. Analysis of the issues, causes, factors. Then using what they have learned in class, 3. Relevant theories that help explain the case 4. Causes OR Implications of the problems/ issues (if applicable) 5. Identified solutions; best solution chosen (if applicable) 6. Conclusion; Recommendations / implementation plan 7. Reference list.

Attendance is mandatory. All students are expected to read each assigned article and participate actively in the discussion. Please prepare discussion questions as you will be called upon for questions as time permits each week. Students who contribute more to class discussion will earn more bonus points on final grades.

## Grading

Point system used (i.e., how do course points translate into letter grades). The cutoff point for an A is 93.00 not 95.00. Since 7 points is a generous spread for an A there will be no rounding up for other grade increments, for example a 92.99 is an A-.

Points earned	93-	90-	87-	83-	80-	77-	70-	67-	63-	60-	Below
	100	92.99	89.99	86.99	82.99	79.99	76.99	69.99	66.99	62.99	60
Letter Grade	Α	A-	B+	В	B-	C+	O	D+	D	D-	Ш

Letter Grade	Α	Α-	B+	В	B-	C+	C	D+	D	D-	Е	WF	I	NG	s U
Grade Points	4.0	3.67	3.33	3.0	2.67	2.33	2.0	1.33	1.0	0.67	0.0	0.0	0.0	0.0	0.0

For example, if a student makes a 93 for exam 1, 95 for exam 2, 97 for exam 3, a 92 cumulative grade for the 7 highest quiz grades, and a 95 for the semester project, then the student earned a 93(.2)+95(.2)+97(.2)+92(.2)+95(.2)=94.4, which is an A.

A greater detail on the meaning of letter grades and university policies related to them, see the Registrar's Grade Policy regulations at:

http://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx

# **Make-up Tests and Assignments**

Make-up exams, assignments, and other work in this course are consistent with university policies that can be found at: <a href="https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx">https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx</a>. For excused absences students will be permitted a reasonable amount of time to make up the material or activities covered in their absence. If you miss a test and a make-up test is approved, the test will be made up during the earliest date possible, ideally during office hours.

# **Technical Issues**

Any requests for make-ups due to technical issues MUST be accompanied by the ticket number received from LSS when the problem was reported to them. The ticket number will document the time and date of the problem. You MUST e-mail me within 24 hours of the technical difficulty if you wish to request a make-up.

# **Late Submissions**

Late submissions are not encouraged but will be accepted for up to 7 days, but with the following policies and penalty schedule:

Graders will not contact you about missing or incomplete assignments. It is your responsibility to check that the correct assignment has been submitted to Canvas on time. It may be possible to avoid a late penalty if you contact the instructor at least 24 hours in advance. This is particularly important if you are absent for a test, because approved makeup tests if you contacted the instructor are on the next scheduled testing date. You should email both the instructor and your teaching assistant, and explain what issue (e.g., bereavement, illness) necessitates lateness. In some cases, documentation may be requested. If a lateness allowance is agreed to, this applies to a single assignment only. It does not allow you to delay future assignments.

If your assignment is late, you will lose 10% each day. Thus, if an assignment is worth 30 points, you will lose 3 points for each late day. "Late" begins one minute after the due time (e.g., an assignment due at 8:34 am is considered late at 8:35 am). Penalties are as follows:

1 minute to 24 hours late	10% of maximum deducted from achieved grade
1 day + 1 minute late to 48 hours late	20% of maximum deducted from achieved grade
2 days + 1 minute late to 72 hours late	30% of maximum deducted from achieved grade
3 days + 1 minute late to 96 hours late	40% of maximum deducted from achieved grade
4 days + 1 minute late to 120 hours late	50% of maximum deducted from achieved grade
5 days + 1 minute late to 144 hours late	60% of maximum deducted from achieved grade
6 days + 1 minute late to 168 hours late	70% of maximum deducted from achieved grade

7 days + 1 minute late or longer	100% of maximum deducted from achieved grade

# **Policy Related to Required Class Attendance**

Class attendance is a critical component of the learning process. Students are expected to be present for all classes, since much of the material will be covered only once in class. Please note all faculty are bound by the UF policy for excused absences. For information regarding the UF Attendance Policy see the Registrar website for additional details: <a href="https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx">https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx</a>

## **Policy on Collaboration**

Unless otherwise stated explicitly by written instructions, the preparation of all coursework should be done individually. If you are unsure about what level of collaboration is appropriate, ask the instructor before beginning any graded assignment.

# **Policy Related to Guests Attending Class:**

Only registered students are permitted to attend class. However, we recognize that students who are caretakers may face occasional unexpected challenges creating attendance barriers. Therefore, by exception, a department chair or his or her designee (e.g., instructors) may grant a student permission to bring a guest(s) for a total of two class sessions per semester. This is two sessions total across all courses. No further extensions will be granted. Please note that guests are **not** permitted to attend either cadaver or wet labs. Students are responsible for course material regardless of attendance. For additional information, please review the Classroom Guests of Students policy in its entirety. Link to full policy: <a href="http://facstaff.phhp.ufl.edu/services/resourceguide/getstarted.htm">http://facstaff.phhp.ufl.edu/services/resourceguide/getstarted.htm</a>

# STUDENT EXPECTATIONS, ROLES, AND OPPORTUNITIES FOR INPUT

## **Expectations Regarding Course Behavior**

## **Electronic Device Policy:**

Use of electronic devices (laptops, tablets, and cell phones) is not permitted during guest lectures and presentations. The necessity of classroom interaction in this course negates the usefulness of electronic devices as a note-taking device. The use of your electronic device during class can also prove distracting to your classmates, so please refrain from using your electronic device during class.

When use of electronic devices is permitted, please adhere to the following-

- Charge your device fully before coming to class.
- Set your laptop volume control to mute or off before coming to class.
- Remember to always keep your laptop closed during presentations and other specific in-class activities.
- Do not engage in unauthorized communication or entertainment (web surfing, instant messaging, chat room chatting, DVD viewing, music playing, game playing, etc.) <u>either by laptop or smartphone</u> during class unless it is part of the lesson.
- The expectation is any use of technology will be conducted in a professional and appropriate manner.

#### **Online Etiquette**

For further clarification about appropriate emails, threads, chats and online collaborations, please visit *Netiquette Guidelines:* <a href="http://teach.ufl.edu/wp-content/uploads/2012/08/NetiquetteGuideforOnlineCourses.pdf">http://teach.ufl.edu/wp-content/uploads/2012/08/NetiquetteGuideforOnlineCourses.pdf</a>

#### **Guest Lecturers**

If we have a guest lecturer this semester, please be respectful and participant, make sure to arrive on time, and refrain from staring at your phone.

#### Attendance

Students are expected to arrive for class on time, be prepared and ready to participate in class discussions.

# Make-up Work

Students are responsible for obtaining notes, handouts, and summary of the lesson/class activities from their team members if a class is missed. The syllabus and course schedule is subject to revision so remember to always check Canvas for updates if you missed class.

## **Academic Integrity**

Students are expected to act in accordance with the University of Florida policy on academic integrity. As a student at the University of Florida, you have committed yourself to uphold the Honor Code, which includes the following pledge:

"We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity."

You are expected to exhibit behavior consistent with this commitment to the UF academic community, and on all work submitted for credit at the University of Florida, the following pledge is either required or implied:

"On my honor, I have neither given nor received unauthorized aid in doing this assignment."

It is your individual responsibility to know and comply with all university policies and procedures regarding academic integrity and the Student Honor Code. Violations of the Honor Code at the University of Florida will not be tolerated. Violations will be reported to the Dean of Students Office for consideration of disciplinary action. For additional information regarding Academic Integrity, please see Student Conduct and Honor Code or the Graduate Student Website for additional details:

https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/http://gradschool.ufl.edu/students/introduction.html

Please remember cheating, lying, misrepresentation, or plagiarism in any form is unacceptable and inexcusable behavior.

## **Online Faculty Course Evaluation Process**

Students are expected to provide feedback on the quality of instruction in this course by completing online evaluations at <a href="https://evaluations.ufl.edu">https://evaluations.ufl.edu</a>. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <a href="https://evaluations.ufl.edu/results/">https://evaluations.ufl.edu/results/</a>.

#### SUPPORT SERVICES

# **Accommodations for Students with Disabilities**

If you require classroom accommodation because of a disability, you must register with the Dean of Students Office <a href="http://www.dso.ufl.edu">http://www.dso.ufl.edu</a> within the first week of class. The Dean of Students Office will provide documentation of accommodations to you, which you must then give to me as the instructor of the course to receive accommodations. Please make sure you provide this letter to me by the end of the second week of the course. The College is committed to providing reasonable accommodations to assist students in their coursework.



# U Matter, We Care

Your well-being is important to the University of Florida. The U Matter, We Care initiative is committed to creating a culture of care on our campus by encouraging members of our community to look out for one another and to reach out for help if a member of our community is in need. If you or a friend is in distress, please contact umatter@ufl.edu so that the U Matter, We Care Team can reach out to the student in distress. A nighttime and weekend crisis counselor is available by phone at 352-392-1575. The U Matter, We Care Team can help connect students to the many other helping resources available including, but not limited to, Victim Advocates, Housing staff, and the Counseling and Wellness Center. Please remember that asking for help is a sign of strength. In case of emergency, call 9-1-1.

# **Counseling and Student Health**

Students sometimes experience stress from academic expectations and/or personal and interpersonal issues that may interfere with their academic performance. If you find yourself facing issues that have the potential to or are already negatively affecting your coursework, you are encouraged to talk with an instructor and/or seek help through University resources available to you.

- The Counseling and Wellness Center 352-392-1575 offers a variety of support services such as psychological assessment and intervention and assistance for math and test anxiety. Visit their web site for more information: <a href="http://www.counseling.ufl.edu">http://www.counseling.ufl.edu</a>. On-line and in person assistance is available.
- You Matter We Care website: <a href="http://www.umatter.ufl.edu/">http://www.umatter.ufl.edu/</a>. If you are feeling overwhelmed or stressed, you can reach out for help through the You Matter, We Care website, which is staffed by Dean of Students and Counseling Center personnel.
- The Student Health Care Center at Shands is a satellite clinic of the main Student Health Care Center located on Fletcher Drive on campus. Student Health at Shands offers a variety of clinical services. The clinic is located on the second floor of the Dental Tower in the Health Science Center. For more information, contact the clinic at 392-0627 or check out the web site at: https://shcc.ufl.edu/
- Crisis intervention is always available 24/7 from:
   Alachua County Crisis Center: (352) 264-6789
   http://www.alachuacounty.us/DEPTS/CSS/CRISISCENTER/Pages/CrisisCenter.aspx

Do not wait until you reach a crisis to come in and talk with us. We have helped many students through stressful situations impacting their academic performance. You are not alone so do not be afraid to ask for assistance.

# **College of Public Health and Health Professions Inclusive Learning Environment**:

Public health and health professions are based on the belief in human dignity and on respect for the individual. As we share our personal beliefs inside or outside of the classroom, it is always with the understanding that we value and respect diversity of background, experience, and opinion, where every individual feels valued. We believe in, and promote, openness and tolerance of differences in ethnicity and culture, and we respect differing personal, spiritual, religious and political values. We further believe that celebrating such diversity enriches the quality of the educational experiences we provide our students and enhances our own personal and professional relationships. We embrace The University of Florida's Non-Discrimination Policy, which reads, "The University shall actively promote equal opportunity policies and practices conforming to laws against discrimination. The University is committed to non-discrimination with respect to race, creed, color, religion, age, disability, sex, sexual orientation, gender identity and expression, marital status, national origin, political opinions or affiliations, genetic information and veteran status as protected under the Vietnam Era Veterans' Readjustment Assistance Act." If you have questions or concerns about your rights and responsibilities for inclusive learning environment, please see your instructor or refer to the Office of Multicultural & Diversity Affairs website: www.multicultural.ufl.edu